

MINUTES

MONTANA HOUSE OF REPRESENTATIVES 57th LEGISLATURE - REGULAR SESSION COMMITTEE ON STATE ADMINISTRATION

Call to Order: By **CHAIRMAN ALLAN WALTERS**, on February 7, 2001 at 8:00 A.M., in Room 455 Capitol.

ROLL CALL

Members Present:

Rep. Allan Walters, Chairman (R)
Rep. Debby Barrett, Vice Chairman (R)
Rep. Tom Dell, Vice Chairman (D)
Rep. Norma Bixby (D)
Rep. Dee Brown (R)
Rep. Donald L. Hedges (R)
Rep. Hal Jacobson (D)
Rep. Larry Jent (D)
Rep. Larry Lehman (R)
Rep. Ralph Lenhart (D)
Rep. Gay Ann Masolo (R)
Rep. Douglas Mood (R)
Rep. Alan Olson (R)
Rep. Holly Raser (D)
Rep. Rick Ripley (R)
Rep. Clarice Schrumpf (R)
Rep. Frank Smith (D)

Members Excused: None.

Members Absent: Rep. Michelle Lee (D)

Staff Present: Sheri Heffelfinger, Legislative Branch
Ruthie Padilla, Committee Secretary

Please Note: These are summary minutes. Testimony and discussion are paraphrased and condensed.

Committee Business Summary:

Hearing(s) & Date(s) Posted: SB 75, 2/2/2001; SB 11,
2/2/2001
Executive Action: HB 294; SB 75; SB 11

HEARING ON SB 75

Sponsor: **SENATOR GREG JERGESON, SD 46, CHINOOK**

Proponents: **Monte Mason, Department of Natural Resources,
Trust Land Management Division**

Opponents: None

Opening Statement by Sponsor:

{Tape : 1; Side : A; Approx. Time Counter : 0.0}

SENATOR GREG JERGESON, SD 46, CHINOOK, said the bill was at the request of the Department of Natural Resources and Conservation. The point of the bill is to establish a standard means to determine the lessee of state lands have remitted their annual lease payment by the postmark date of the postal service. If the individual does not use the postal service, they would need to go directly to the office and have it stamped as received by the due date. This needs to be clarified and put into the statutes.

Proponents' Testimony:

{Tape : 1; Side : A; Approx. Time Counter : 3.6}

Monte Mason, Department of Natural Resources, Trust Land Management Division, said trust lands are managed to generate revenue for the support of the schools. They do this by issuing leases, licenses and permits to people for various reasons. It is a contract between both parties which addresses timely payments of certain amounts owed to the state. They use the post mark rule to determine whether or not a payment is timely. A situation arose where a lessee submitted a payment by placing it in his rural mailbox without any postage attached but with coins in the mailbox, expecting the postal person to pick up the mail, put a stamp on it and mail it for him. The postal carrier did not do that, so the lessee took the payment into the post office and mailed it himself. However, by that time the payment was late. In this situation, the lease had reached a point where it had gone through all the steps and this was the last deadline for the individual so they initiated lease cancellation. He took DNRC to court and the court ruled in his favor because there was no express statute in the codes that said what the standard was. This bill will remedy situations such as this.

Questions from Committee Members and Responses:***{Tape : 1; Side : A; Approx. Time Counter : 8.2}***

REPRESENTATIVE HEDGES asked if this was just for a lease payment. **Monte Mason** replied this would be the standard for any payment owed to them, whether it be rent, crop sharing or lease payment. **REPRESENTATIVE BROWN** asked what DNRC is working towards in order to accept electronic payments for these and other types of payments. **Monte Mason** said they are currently trying to catch up with their accounting system so when they get to the point of trying to initiate electronic deposits they have a system that can receive that. There is nothing currently active today to set up a system so an individual could send in a payment, however, they are aware of this and are trying to move in the direction of electronic deposit.

Closing by Sponsor:***{Tape : 1; Side : A; Approx. Time Counter : 13.9}***

SENATOR JERGENSON said currently, they are using the standard procedure that people are familiar with and asked for a do concur on the bill to put it into statute.

HEARING ON SB 11**Sponsor:** SENATOR DEBBIE BOWMAN SHEA, SD 18, BUTTE**Proponents:** None**Opponents:** None**Opening Statement by Sponsor:*****{Tape : 1; Side : A; Approx. Time Counter : 16.6}***

SENATOR DEBBIE BOWMAN SHEA, SD 18, BUTTE, stated the bill was at the request of the legislative council and will revise the laws that relate to pre-session Ccucasus and orientations. It will clarify compensation and expense entitlements for not only pre-session caucus, but for legislative orientation and training. The need for this legislation is to clarify many things including term limits.

Questions from Committee Members and Responses:

{Tape : 1; Side : A; Approx. Time Counter : 19.2}

REPRESENTATIVE BROWN stated the pre-session caucus is invaluable to those who are new and appreciated **SENATOR SHEA** brining forth the legislation.

Closing by Sponsor:

{Tape : 1; Side : A; Approx. Time Counter : 19.2}

REPRESENTATIVE SHEA closed on SB 11.

EXECUTIVE ACTION ON HB 294

{Tape : 1; Side : A; Approx. Time Counter : 22.5}

Motion: **REP. HEDGES** moved that **HB 294 DO PASS.**

Discussion:

REPRESENTATIVE MOOD submitted information from **Mike O'Connor** on fair market value. **EXHIBIT(sth31a01)**

REPRESENTATIVE BROWN said the bill has generated a lot of mail and a misunderstanding with teachers that this is a automatic 3% increase, when it is not an automatic 3% increase. Once we decide to do this, it will be a permanent decision.

CHAIRMAN WALTERS said the purpose of a retirement fund, is not to get bigger and bigger. The retirees should be getting the benefit of the excess funds. It should not be saved for other retirees in the future.

REPRESENTATIVE DELL said he had asked **Mike O'Connor** to give a graph on the effects of the bill over time. He then submitted and discussed the graph received from **Mike O'Connor.**

EXHIBIT(sth31a02)

REPRESENTATIVE MOOD stated he also feels the money in the retirement should by used wisely and should go to the retirees. There is no reason for the money to just be sitting there.

Motion/Vote: **REP. HEDGES** moved that **HB 294 DO PASS.** **Motion carried unanimously. 17-0**

EXECUTIVE ACTION ON HB 75

{Tape : 1; Side : B; Approx. Time Counter : 11.4}

Motion/Vote: REP. MASOLO moved that SB 75 BE CONCURRED IN. Motion carried unanimously. 17-0

EXECUTIVE ACTION ON SB 11

{Tape : 1; Side : B; Approx. Time Counter : 14.2}

Motion/Vote: REP. HEDGES moved that SB 11 BE CONCURRED IN. Motion carried unanimously. 17-0

ADJOURNMENT

Adjournment: 8:53 A.M.

REP. ALLAN WALTERS, Chairman

RUTHIE PADILLA, Secretary

AW/RP

EXHIBIT (sth31aad)